Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 129035
ORIGIN EB-07

INFO OCT-01 EA-07 ISO-00 L-03 CCO-00 CIAE-00 OTPE-00
FCC-01 INR-07 NSAE-00 OC-06 USIA-06 COME-00
BIB-01 OES-07 H-01 SIL-01 LAB-04 /052 R

DRAFTED BY EB/TD:JJO'NEILL:PB
APPROVED BY EB/TCA:JWBILLER
EA/J - MR. SMITH
L/EB - MR. MICKEY
EB/OT/TA - MR. MEYER
----------041823Z 069380 /46
R 040005Z JUN 77
FM SECSTATE WASHDC
TO AMEMBASSY TOKYO

LIMITED OFFICIAL USE STATE 129035

E.O. 11652: NA

TAGS: ETEL, JA

SUBJECT: CDC'S TIME-SHARING PROBLEMS IN JAPAN.

REF: TOKYO 5863

1. CONTROL DATA CORPORATION (CDC) OFFICIALS HAVE DISCUSSED THEIR JAPANESE PROBLEMS WITH DEPARTMENT AND REQUESTED OFFICIAL U.S. REPRESENTATIONS THROUGH EMBASSY. THEY ARE QUITE PLEASED WITH EMBASSY SUPPORT TO DATE. CDC EVALUATION OF REASONS BEHIND DELAY ARE ROUGHLY SIMILAR TO SPECULATION REPORTED REFTEL. TEXT OF PERTINENT PART OF TELEX CDC RECENTLY RECEIVED FROM TOKYO REP. IS GIVEN IN LAST PARAGRAPH THIS MESSAGE.

2. DEPARTMENT AGREES WITH CDC ESTIMATE THAT JAPANESE ARE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 129035

DELIBERATELY STALLING BECAUSE THEY DO NOT WANT FOREIGN COMPETITION IN TIME-SHARING MARKET. POLITICAL CONSIDERATIONS SUCH AS UPCOMING ELECTIONS AND SPECIFIC INTEREST OF POLITICAL PARTIES OR LABOR UNIONS IN TIME-SHARE ISSUE AP-

PEAR TO US TO BE A VERY MARGINAL FACTOR. MEMCON OF RECENT MEETING IN WASHINGTON BETWEEN DEPARTMENT OFFICER AND VISIT-

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

ING MITI OFFICIAL (POUCHED) REPORTS MITI VIEW THAT THERE IS STRONG MOVEMENT TO PROMOTE NTT MONOPOLY IN DATA SERVICES TIME-SHARE FIELD.

3. EMBASSY IS REQUESTED TO APPROACH GOJ AT APPROPRIATELY HIGH LEVEL STATING USG DISAPPOINTMENT AT WHAT APPEARS TO BE UNREASONABLE DELAY IN HANDLING CDC APPLICATION. EMBASSY SHOULD POINT OUT THAT CDC HAS BEEN ATTEMPTING TO ENTER JAPANESE TIME-SHARE MARKET FOR BETTER THAN ONE YEAR, THAT IT HAS COMPLIED WITH REPEATED GOJ REQUESTS FOR INFORMATION, HAS RESPONDED TO GOJ REQUESTS FOR PATIENCE BUT THAT BOTH CDC AND THE USG BELIEVE GOJ HAS HAD SUFFICIENT TIME TO PROCESS APPLICATION AND CANNOT UNDERSTAND THE DELAY. USG WOULD APPRECIATE PROMPT AFFIRMATIVE GOJ ACTION. FYI. BASED ON INITIAL EXAMINATION, LEGAL ARGUMENTATION ALONG LINES SUGGESTED PARAS 4, 5, AND 6 REFTEL IS NOT LIKELY TO PROVIDE SIGNIFICANT SUPPORT TO DEMARCHE.

4. PERTINENT PARAGRAPHS OF RECENT CDC TELEX ARE:

"BASICALLY, THE KDD LABOR UNION - NOT NTT AS PREVIOUSLY SUSPECTED - IS VERY MUCH OPPOSED TO OUR APPLICATION AND HAS THE BACKING OF THE JSP - JAPAN SOCIALIST PARTY. MPT HAS ALREADY TESTIFIED IN THE DIET TELECOMMUNICATIONS COMMITTEE HEARING AND FEELS THE JSP HAS NO STRONG GROUNDS ON WHICH TO OPPOSE OUR APPLICATION. KDD MANAGEMENT, HOWEVER, IS SO CONCERNED ABOUT INTERNATIONAL LABOR RELA-TIONS AND MPT SO CONCERNED ABOUT MAKING WAVES JUST PRIOR TO THE UPPER HOUSE ELECTION IN EARLY JULY, THAT BOTH AGREE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 129035

THAT THE FOLLOWING SCHEDULE IS MOST LIKELY, BARRING ANY SERIOUS CHALLENGE BY THE JSP: 1) KDD WILL SUBMIT APPLI-CATION TO MPT IN LATE JUNE, EARLY JULY; 2) MPT WILL VALI-DATE OUR APPLICATION IN APPROXIMATELY ONE MONTH - LATE JULY, EARLY AUGUST; 3) LINE COULD BE INSTALLED ONE MONTH LATER - LATE AUGUST, EARLY SEPTEMBER.

"IN ADDITION, MPT STRONGLY URGED YAGI TO PERSUADE DSPE TO; 1) STOP ALL U.S. EMBASSY INVOLVEMENT IMMEDIATELY SO AS NOT TO STIR UP ACTIVITY WHICH MIGHT DRAW THE ISSUE TO THE FURTHER ATTENTION OF THE JSP; 2) STAY AWAY FROM THE PRESS - WHICH WE HAVE BEEN DOING ANYWAY; 3) CALL ON KDD DAILY TO PRESSURE THEM TO SUBMIT APPLICATION.

"YAGI SUGGEST WE FOLLOW THIS STRATEGY AS OUTLINED BY MPT. I CANNOT IN GOOD CONSCIENCE AGREE TO ADOPT THIS DO NOTHING, WAIT AND SEE STRATEGY. MALOTT AT EMBASSY AGREES WITH ME." CHRISTOPHER

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESS FIRMS, MARKET OPPORTUNITIES
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE129035
Document Source: CORE
Document Unique ID: 00
Drafter: JJO\'NEILL:PB
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770200-0207
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770690/aaaadavz.tel
Line Count: 115
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3d944685-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 TOKYO 5863
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2277376
Secure: OPEN
Status: NATIVE
Subject: CDC\'S TIME-SHARING PROBLEMS IN JAPAN.
TAGS: ETEL, JA, US, CDC, CONTROL DATA CORP
To: TOKYO
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/3d944685-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009